

FISCAL NOTE

HB 2507 - SB 2527

February 2, 2004

SUMMARY OF BILL:

1. Deletes the Workers' Compensation Advisory Council and ceases all activities of the council.
2. Directs the Commissioner of Labor and Workforce Development to:
 - review the role of chiropractic and physical therapy services in workers' compensation costs and determine whether such service should be included in the utilization review system and include services by rule in the system, if chiropractic or physical therapy services merit inclusion;
 - develop statistical data form for collecting data relevant to assessing workers' compensation system;
 - produce a report, no later than December 31 of each year, including a name of each covered employer that failed, during the preceding state year, to provide workers' compensation coverage or qualify as a self-insured employer, the penalty assessed by the division, and the payment status of such penalty;
 - provide the report to the oversight committee on workers' compensation, and the chair of senate commerce, labor and agriculture committee and house consumer and employee affairs committee.
 - gather, analyze and report to the general assembly and the governor information relevant to the functioning of the workers' compensation system;
 - promulgate rules expanding the scope of safety-sensitive position to cases where impairment may present a clear and present risk to co-workers and other persons;
 - determine no later than July 1 of each year whether the membership of the assigned risk pool for the prior calendar year exceeds 15% of the membership of the eligible employer market, as based on premium, excluding self-insured employers and self-insured groups. For any period in which it is determined the membership of the assigned risk pool exceeds 15%, the commissioner shall issue a report setting forth the percentage of the eligible employer market insured through the assigned risk pool and the reasons contributing to increased membership of the pool.

3. Provides that the report shall include recommendations as to whether:
 - the competitive state workers' compensation insurance fund should be activated
 - a plan of direct assignment on a randomized basis of all assigned risk plan policies to insurers offering workers' compensation insurance should be implemented;
 - other actions should be taken; or
 - no action should be taken at all.
4. Provides that the commissioner shall take action as deemed appropriate; provided that the commisisoner shall hold a hearing before electing to activate the competitive state workers' compensation insurance fund or to institute a plan of direct assignment.

ESTIMATED FISCAL IMPACT:

Decrease State Expenditures - \$154,623

Estimate assumes:

- the Department of Labor and Workforce Development will abolish two positions and related expenses associated with the Workers' Compensation Advisory Council attached to the department.
- the Department of labor and Workforce Development will utilize existing staff and resources to implement the provisions of the bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director